

Q3 Quarterly Call

Dash Core Group, Inc. November 14, 2019

A few things before we get started

- This call is being recorded and will be shared on the Dash YouTube Channel
- Audience microphones are muted
- Questions were collected previously and will be answered at the end

Moderator: Ryan Taylor, CEO

Operator: Robert Wiecko, COO



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Market Performance

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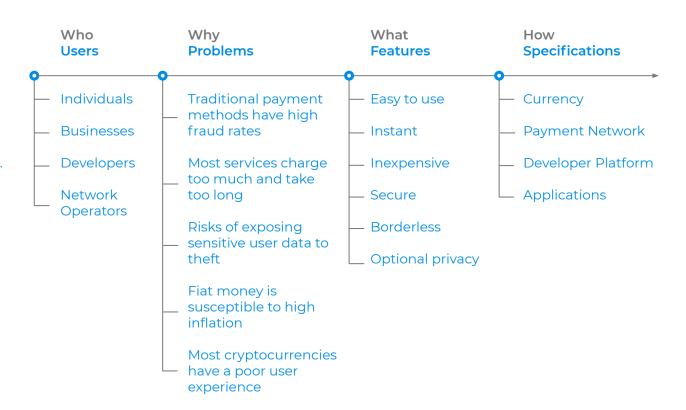
What is Dash?

Goal

Financial freedom for everyone Your money, your way - move your money to anyone, anywhere, anytime.

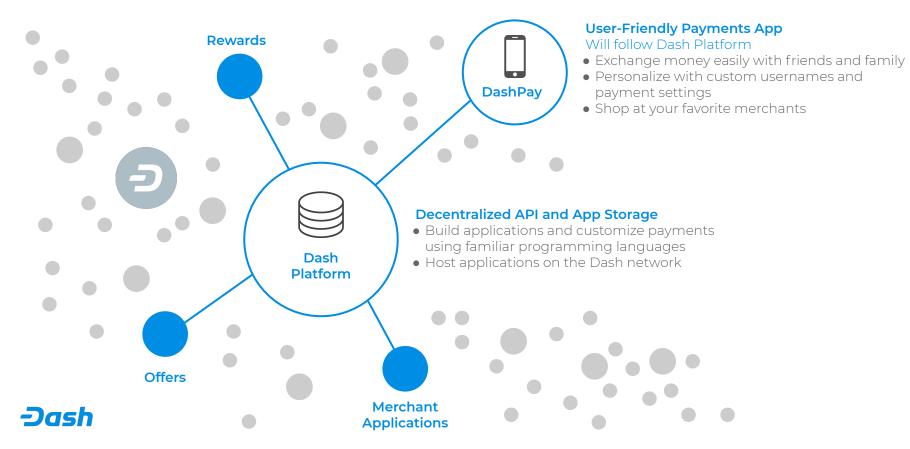
Mission

Make payments as quick, easy, secure and inexpensive as possible.

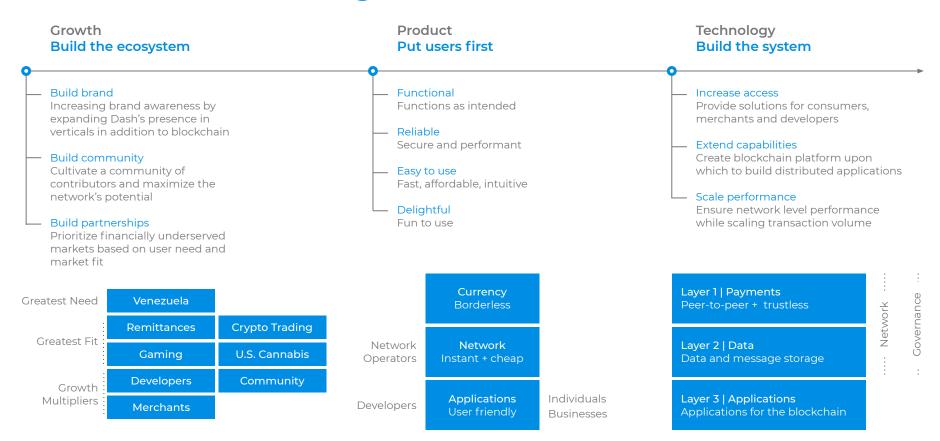




What is *Evolution*?



How DCG is Growing Dash



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Market Performance

Question	Metric	Q3 '19	QoQ	YoY
PRODUCT: Is Dash a Better Way to Move Money?				
How much is the currency fluctuating?	Daily Volatility	4.12%	-6.8%	-28.7%
How much does it cost to send a payment?	Median Fee	\$0.0006	20%	-33%
USERS: Are More People Using Dash?				
How many daily active addresses?	Avg Daily Active Addresses	69.51K	-2.2%	45.6%
How many DCG wallets are installed on active mobile devices?	Installed Wallets on Active Devices	56,311	37.3%	57.2%
How many addresses have a balance greater than 1 USD?	Total Addresses > 1\$	376,953	-37.2%	-31.1%
USAGE: What are Dash Users Doing?				
How much Dash is traded daily on exchanges?	Avg Daily Traded Vol	\$213M	-41.6%	12.7%
What is the total payment volume?	TPV	\$2.17B	-34.2%	-48.7%
What was the number of economic transactions?	Economic Transactions	2.69M	132%	70%
What is the median transaction value?	Avg Daily Median Tx Value	\$11.63	-44%	-61.9%
What percentage of transactions are InstantSend?	% InstantSend	71.38%	102%	19,192%
What percentage of transactions are PrivateSend?	% PrivateSend	0.28%	-55%	-15%
CRYPTOCURRENCY PAYMENT GROWTH: How fast are other payment	t-oriented networks growing?			
What was Dash's typical number of economic transactions?	Median Economic Transactions / Day	15,469	39%	178%
What was Bitcoin's on-chain typical number of transactions?	Bitcoin Median Transactions / Day	329,536	-9%	48%
What was Lightning Network growth?	Lightning Network Unique Channels	27,887	-11%	241%
What was Bitcoin Cash's typical number of transactions?	Bitcoin Cash Median Transactions / Day	47,487	-1%	112%
What was Litecoin's typical number of transactions?	Litecoin Median Transactions / Day	27,434	6%	9%
MARKET: What is Dash Market Value?				
How many coins are circulating?	Supply	9.07M	2.0%	8.6%
What was the quarterly (last day mean) price of Dash?	Price	\$69.35	-57.9%	-63.1%
What is the network value of Dash?	Market Cap	\$629M	-57.1%	-59.9%



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Balance Sheet

(Non-GAAP compliant. See disclaimer.)

Cash/Dash assets at the end of Q3 2019 totaled ~\$1.35M, essentially flat from \$1.4M at the end of Q2 2019.

Dash Core Group continued to receive 60% of the Dash Network treasury during Q3 2019

	At September 30 2019	At June 30 2019	Percent Increase / Decrease
(In thousands \$US)	2015	2013	Vs. Prior Quarter
Assets- USD Equivalent, DASH at mai	rket value		
Budget Accounts			
Bus Dev - General	166	218	-24%
Core Team Salaries	867	833	4%
Infrastructure	2	6	-66%
Legal	104	83	25%
Marketing / Comm / Conf / Travel	118	150	-22%
Property Lease	2	8	-74%
Public Relations	27	24	11%
Escrow / Other	8	8	-3%
Other			
Prepaid Expenses & Retainers	42	57	-25%
Other Current Assets	19	25	-24%
Total Assets	1,355	1,412	-4 %
Liabilities			
A/P & Accrued Expenses	129	259	-50%
Escrow / Other	3	8	-59%
Other Current Liabilities	15	15	0%
Equity			
Retained Earnings	1,130	746	51%
Net Income	77	384	-80%
Total Liabilities & Equity	1,355	1,412	-4 %

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America ("US GAAP"). If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters. Treatment of "DASH" as a foreign currency and its "mark-to-market" accounting is not in compliance with US GAAP; Statement of Cash Flows has been omitted.



Income Statement

(Non-GAAP compliant. See disclaimer.)

Recognized \$1.4mm as revenue from the Dash Network proposal system in Q3 2019

DCG revenue exceeded expenses in the quarter resulting in positive net income for the quarter, despite one-time tax expense

The largest expense item continued to be compensation, dwarfing the rest of the expense categories

(In thousands \$US)	At September 30 2019	At June 30 2019	Percent Increase / Decrease Vs. Prior Quarter
Revenue			
Dash Budget System	1,410	1,390	1%
Uncategorized Income	0	Ο	0%
Total Revenue	1,410	1,390	1%
Expenses			
Bus Dev / Marketing / PR	61	71	-15%
Compensation Costs	724	771	-6%
General & Administrative	59	58	1%
Occupancy Costs	6	7	-11%
Professional Fees	64	102	-38%
Business Travel	24	42	-43%
Total Expenses	937	1,051	-11%
Other Gain/Loss			
Exchange Gain (Loss)	(147)	43	NM
Fiat Guarantee Gain (Loss)	(1)	2	NM
Other Income	0	0	0%
Total Other Gain (Loss)	(149)	45	
Interest Expense	0	0	0%
Tax Expense	247	0	NM
Net Income	77	384	-80%

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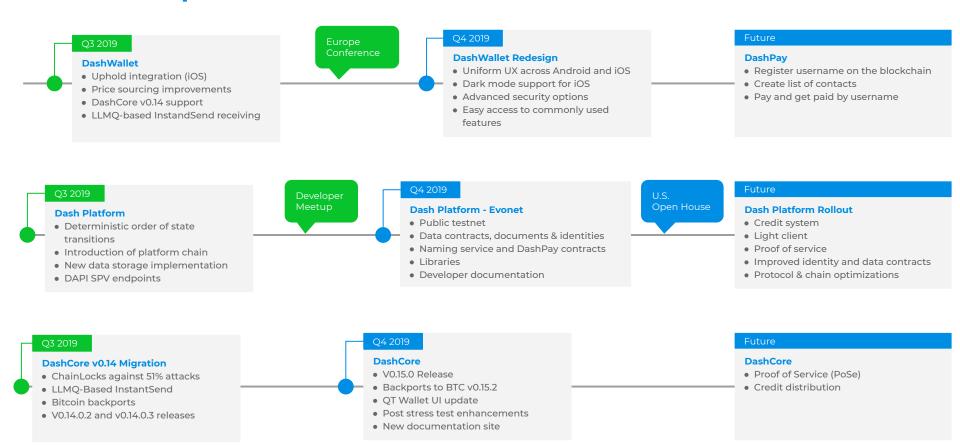
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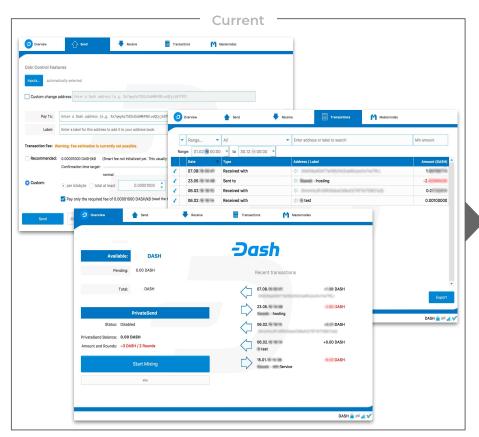
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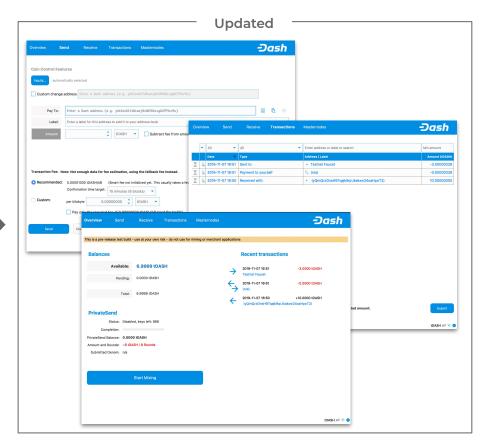


Roadmap

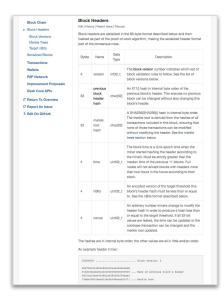


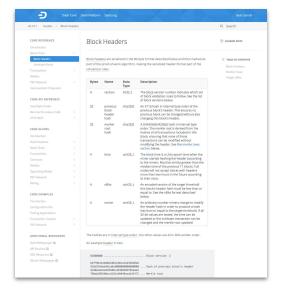
QT Wallet Update

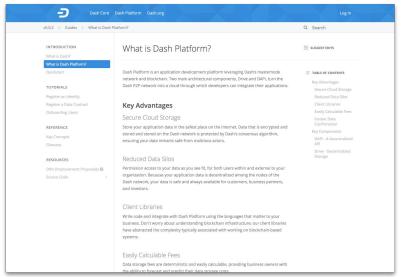




New Developer Documentation







Current dash-docs.github.io

New look for Dash Core v0.15.0

Integrated with Dash Platform documentation



Dash Platform on Evonet

What is Evonet?

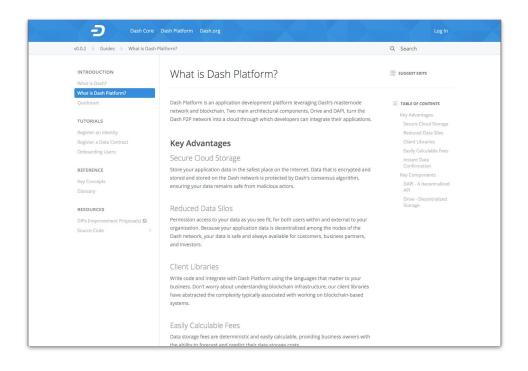
- Public testnet for developer experimentation
- Separate from existing testnet
- Avoids interruptions to critical partner testing

What will I be able to do with it?

- First deliverable of multiple releases towards MVP
- Connect to Evonet via DAPI
- Create a test identity and register test name
- Fetch identities and resolve names
- Create, update and delete documents
- Explore Dash Platform Name Service (DPNS) and DashPay contracts
- Discover DAPI-client, DPNS-client, and DPP libraries

What else?

 A developer hub will offer helpful documentation and guides





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Growth

Venezuela	Carmilenium c.a. El estacionamiento del Milenium	XBAA bunga	FAR ARKET FRANKA Y MUCHO MAS.		
Trading	coinbase Pro	coinbase	⇔ Bib⊚x		
Chargebacks	kamoney	whow			
Remittances	cubobit.	-Dash Text			
U.S. Cannabis		San Francisco			
Other	NOW Payments		Coinify	utrust ^O	



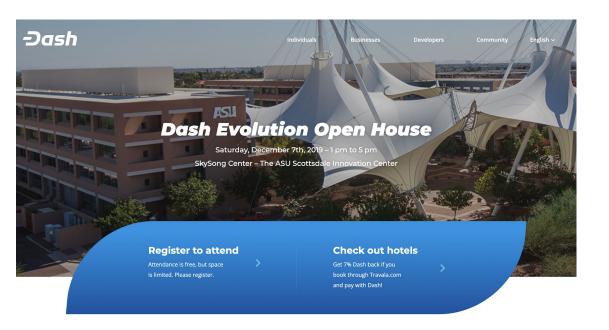
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Outlook

Dash Evolution Open House



SkySong Center
The ASU Scottsdale Innovation
Center

Saturday, Dec 7th, 1 pm to 5 pm

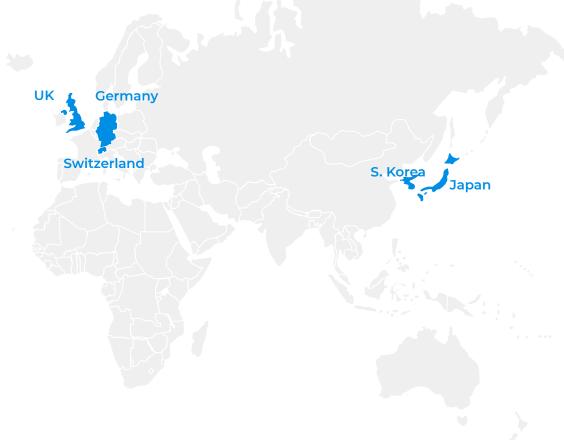
- Introduction to Dash Platform
- DAPI and Drive
- Dashpay enabled wallets
- Developer portal
- Release process
- Community and communication
- Q&A

www.dash.org/evolutionopenhouse19



PrivateSend and Regulators Update





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Q&A

- 1. To what extent has block reward reallocation been discussed / considered?
- 2. Where is the demand for what Dash Platform does?
- 3. Have we tried spending money to advertise our proposals system to expand awareness? Would this sort of advertising get around the crypto ads ban on FB, as it's not really advertising a cryptocurrency, but rather a job opportunity?
- 4. What marketing activity is Core currently pursuing and what marketing activities are planned for the future?
- 5. Has DCG considered changing the CEO title to avoid confusion in the press? Would Ryan Taylor consider the role of General Manager?
- 6. Would DCG take out a "key man" life insurance policy on Ryan Taylor with DCG as beneficiary?
- 7. What has been done to address the presentation setup for online interviews?

- 8. What progress has been made with Shift PR?
- 9. Dash v.1.0 release is approaching, does DCG have any planned advertisement and/or publicity campaign for this long awaited release?
- 10. What is being done to make sure Evolution is delivered on time, in budget and in scope? Can the Evolution backlog be made public? Can you publish what are your sprint goals and how they relate to Evolution?
- 11. Is DCG actively researching ways to provide DASH price stability in terms of USD (eg. some sort of DASH-based stable token) or is it still counting on "mass adoption" to solve it?
- 12. Looking forward, can illegal material be kept put on a Dash blockchain. If so, can it be eradicated?
- 13. What changes have happened at DCG that resulted in Dash Evolution being late? How many resources have been retired in favour of more efficient ones?

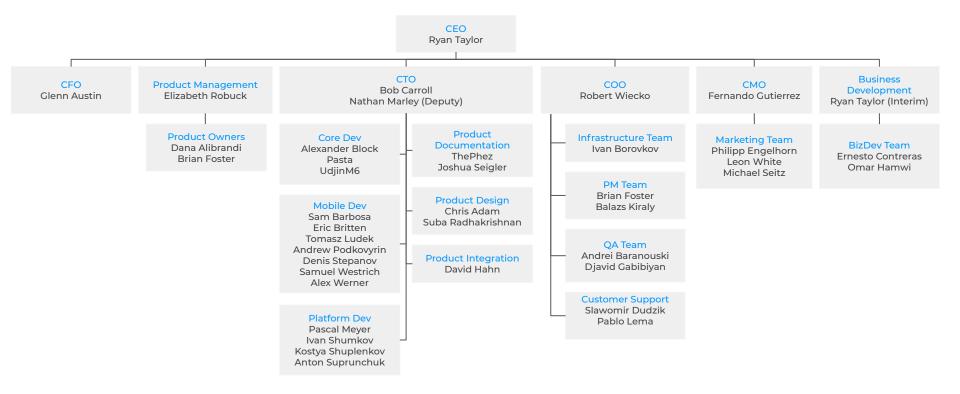


Thank you!

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How DCG is Organized





What the Teams Accomplished

Tech

- Dash Core v0.14.0.2 and v0.14.0.3 released to mainnet
- Sporks 19 & 20 activated for ChainLocks and LLMQ-based InstantSend
- Finished backporting Bitcoin 0.15 support
- Dash Core v0.15 development
- Dash Platform developer meet-up
- Uphold integration with DashWallet for iOS
- DashWallet support for LLMQ and InstantSend
- DashWallet InstantSend receiving
- DashPay Wallet native architecture decision

Business Development

- Educated exchanges to both reverse delisting decisions and proactively ensure others have the required information
- Added Mexican peso trading pair
- Explored opportunity for Dash ecosystems with parking payments in Venezuela.
 Successful roll out of PoC
- Coinbase and Coinbase Pro with Chainlocks
- Completed InstantSend/ChainLocks exchange campaign. Currently in the process of adding IS to over a dozen exchanges

Marketing

- Improvements and new inclusion criteria on downloads and exchanges pages on dash.org
- New languages for the website
- Obtained increased visibility in media through PR firm
- Increased posting on all channels
- Campaign to standardise Dash descriptions (CMC, CG...) and update visuals (renders with current logo updated in main stock photo sites)

Finance/HR

- Monthly Board of Directors and weekly balance sheet report communicated internally
- Led engagement efforts with regulators and exchanges on PrivateSend and Dash travel rule compliance
- Up-to-date with all federal and local taxes

Operations

- 360 Review preparations support
- Epics/backlogs improvements
- Evolution documentation project launch
- Creation of Business Continuity Plan project launch
- Explorer deprecation project launch
- Improvements in internal communication first internal quarterly call with AMA
- Regulatory issues support

Product

- Piloted user feedback process + tweaked approach based on initial results
- Refined product prioritization process
- Adapted product communications to broader audience
- Trimmed scope for MVP Dash Platform

Current Activities





What's Next (Q4)

Business Development Tech Marketing Dash Core v0.15.0 releases to testnet and • Develop and integrate remittance solutions to • Dash Open House event open up remittance channels to and from mainnet • Improve payment processors content in • Begin Bitcoin backports for BTC v0.16.x LATAM dash.org Launch Dash Platform on EvoNet • Double down on Venezuela strategy to focus • Animated explanatory videos on liquidity, repeat purchases, and large scale • Materials about remittances for the website • DashWallet redesign • Launch developer documentation portal direct PoS integrations • Add fiat pairs in top Venezuela migrant destinations and enable remittance corridors tests in two locations • Commence Gaming Reachouts and Gaming focused InstantSend/ChainLocks campaign Finance/HR **Operations Product** • Optimally manage balance sheet reserves in • Project planning for v.1.0 release (launch) • Support Dash Platform MVP release to Evonet current low price environment • Complete first round of prioritization as input 360 Review • Automate monthly salary payouts to • Business Continuity Plan (finalize) to extended roadmap • Explorer deprecation (finalize) Continue user feedback collection contractors • Continue engagement with regulators and • Regulatory issues - further support exchanges on privateSend and other topics • Create process for periodic accounts review (AWS, Slack, Github...) • Create process for review and decommission

of hardware and software (review testnet

servers)

Quarterly Performance Trends

Metric	Q3 '18	Q4 '18	Q1 '19	Q2 '19	Q3 '19	QoQ	YoY
PRODUCT							
Daily Volatility	5.78%	6.39%	3.57%	4.42%	4.12%	-6.8%	-28.7%
Median Fee	\$0.0009	\$0.0004	\$0.0003	\$0.0005	\$0.0006	20%	-33%
USERS							
Avg Daily Active Addresses	47.75k	45.18k	72.90k	71.07k	69.51k	-2.2%	45.6%
Mobile Wallet Installs on Active Devices	35,823	33,591	32,384	41,007	56,311	37.3%	57.2%
Total Addresses > 1\$	547,210	414,750	619,951	600,349	376,953	-37.2%	-31.1%
USAGE							
Avg Daily Traded Vol	\$189M	\$169M	\$214M :	\$365M	\$213M :	-41.6%	12.7%
TPV	\$4.23B	\$1.48B	\$2.43B	\$3.30B	\$2.17B	-34.2%	-48.7%
Economic Transactions :	1.58M	4.32M	898.8k	1.16M	2.69M	132%	70%
Median Economic Transactions / Day	5,559	7,579	8,383	11,133	15,469	39%	178%
Avg Daily Median Tx Value	\$30.50	\$14.50	\$10.49	\$20.76	\$11.63	-44.0%	-61.9%
% InstantSend	0.37%	0.13%	0.75%	35.37%	71.38%	102%	19,192%
% PrivateSend	0.33%	0.15%	0.79%	0.62%	0.28%	-55%	-15%
CRYPTOCURRENCY PAYMENT GROWTH							
Bitcoin Median Transactions / Day	222,704	258,207	304,128	363,947	329,536	-9%	48%
Lightning Network Unique Channels	8,176	14,662	35,627	31,273	27,887	-11%	241%
Bitcoin Cash Median Transactions / Day	22,395	16,232	10,722	47,743	47,487	-1%	112%
Litecoin Median Transactions / Day	25,070	23,309	22,871	25,997	27,434	6%	9%
MARKET							
Supply	8.35M :	8.54M	8.72M :	8.89M	9.07M	2.0%	8.6%
Price	\$187.79	\$80.95	\$105.65	\$164.81	\$69.35	-57.9%	-63.1%
Market Cap	\$1.57B	\$691M	\$922M	\$1.47B	\$629M	-57.1%	-59.9%



Customer Support Q3 2019 Summary





Data Glossary

METRIC	DEFINITION	SOURCE	NOTES
Daily Volatility	Standard deviation of daily close price variance	coinmarketcap.com	
Median Fee	Mean of the daily median fee in USD for each day in the quarter	bitinfocharts.com	
Avg Daily Active Addresses	Mean Daily Active Addresses (sum of unique in-out addresses for the day)	bitinfocharts.com	
Wallet Installs on Active Devices	Estimated number of instances of installed Dash Wallet app on devices that have been active within the last 30 days	google play console, iTunes connect	Only 29% of iOS users permit app reporting. In order to reach a more accurate estimate of the number of iOS wallets, we divided the number of app installations for iOS by 0.29. It is likely that this estimate is nonetheless below the actual installation count, since Dash and cryptocurrency users are more likely than the general population to value privacy.
Total Addresses > 1\$	Amount of addresses with a balance greater than 1 USD (snapshot)	bitinfocharts.com	Should be a snapshot of last day of the quarter, but the snapshot this quarter was not captured until July 9th.
Avg Daily Traded Vol \$	USD Volume traded on exchanges, daily mean	<u>coinmarketcap.com</u>	CoinMarketCap relies on self-reported volume, which is known to be exaggerated by exchanges to boost their perceived liquidity. OpenMarketCap is an alternative that reports only "trusted exchanges", but this metric changes as exchanges are vetted and added, and historical data is inaccessible.
TPV	Total Payment Volume in USD	bitinfocharts.com	TPV includes PrivateSend mixing values. No readily-available data sources exclude coin mixing transactions.
Economic Transactions	Number of on-chain transactions excluding PrivateSend mixing and coinbase transactions	blockchain	
Median Economic Transactions / Day	Median number of on-chain transactions per day excluding PrivateSend mixing and coinbase transactions	<u>blockchain</u>	Calculated by extracting the daily transaction count and subtracting PrivateSend and coinbase transactions. Median is useful because stress tests have minimal effect on this metric, which provides a snapshot of typical usage levels.
Avg. Daily Median Tx Value \$	Mean of the daily median transaction value in USD for each day in the quarter	bitinfocharts.com	
% InstantSend	# InstantSend / # Economic Transactions	<u>dashradar.com</u>	no coinbase, no mixing. Data for Q3 2018 is incomplete, it starts July 4th 2018 and ends August 31st 2018. The data gap is accounted for in the denominator for the shortened measurement period.
% PrivateSend	# PrivateSend / # Economic Transactions	dashradar.com	no coinbase & no mixing in denominator
Cryptocurrency Payment Growth	Median transactions per day, except Lightning Network for which this data cannot be obtained.	bitcoinvisuals.com	LN does not reveal or enable tracking of the number of LN payments. The best proxy for usage may be the number of unique open LN channels.
Supply	Number of coins circulating	<u>blockchain</u>	
Price	Avg price for the final day of quarter (across a number of exchanges)	bitinfocharts.com	
Market Cap	Product of Price and Circulating Supply	bitinfocharts.com	Also known as Network Value

